

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 850

April 19, 2017

SUMMARY OF BILL: Requires local boards of education to give notice by email of a proposed school closing to parents and guardians of students for which the LEA has an email address. Requires such notice be posted in the lobby and office of the school to be closed; in the lobby and office of any school that will possibly receive students displaced by the closure; and on the LEA's website, all one year prior to the proposed school closing. Requires the local board of education to direct the LEA to prepare an educational, economic, and social impact statement of the school closure. Specifies multiple criteria to be included in the required impact statement. Requires the LEA to conduct multiple town meetings in the lead-up to the school closure.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent any local education agency elects to close a school, the one-time permissive increase in local expenditures is reasonably estimated to exceed \$5,000.

Assumptions:

- No impact to state government.
- The impact of this legislation to local government is considered a mandatory impact resulting from a permissive action from an LEA to close a school. As a result, any impact to local government is considered permissive.
- No additional costs to local government for submitting email notices to parents or guardians of students, for posting required notices in applicable school buildings, for posting notices on LEA websites, or for conducting town hall meetings as required.
- Based on information provided by the Department of Education (DOE), the Comptroller of the Treasury (COT), and independent research, a permissive increase in expenditures will be incurred by LEAs that have elected to close a school in order to prepare the required impact statements.
- LEAs will have to contract with consultants to complete the required impact statement if they permissively elect to close a school.
- Due to multiple unknown factors, including but not limited to, the number of LEAs that will elect to close a school, the timing for which any school would be closed, the extent of educational, economic, and social factors to be considered for preparing the impact statement relative to any school closure, and the scope of the required impact statement

completed, a precise increase in local expenditures cannot be determined. However, and to the extent any LEA elects to close a school, the permissive one-time local expenditure for that LEA is reasonably estimated to exceed \$5,000.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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